



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग I—खण्ड 1

PART I—Section I

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं० 85] नई दिल्ली, मंगलवार, जुलाई 20, 1965/आषाढ़ 29, 1887

No. 85] NEW DELHI, TUESDAY, JULY 20, 1965/ASADHA 29, 1887

इस भाग में भिन्न पृष्ठ संख्या दी जाती हैं जिससे कि यह अलग संकलन के रूप में रखा जा सके।

Separate paging is given to this Part in order that it may be filed
as a separate compilation.

MINISTRY OF COMMERCE

PUBLIC NOTICE

IMPORT TRADE CONTROL

New Delhi, the 20th July 1965

SUBJECT.—*Import of machinery, components thereof, Equipment, other commodities and raw materials from the U.S. under AID non-project Loan.*

No. 52-ITC(PN)/65.—Attention of Importers is invited to the Ministry of Commerce Public Notice No. 27-ITC(PN)/65, dated 14th April, 1965 setting out the conditions applicable to Import Licences issued from 1st April, 1965 onwards against U.S. AID non-project Loans. In para 4 thereof, it was mentioned that the details of the Letter of Commitment Procedure would be notified separately. The details of the Letter of Commitment Procedure are set out in the Appendix to this Public Notice. Import licences issued from 1st April, 1965 onwards against U.S. AID non-project loans under the Letter of Commitment Procedure shall be subject to the conditions set out in (a) Public Notice No. 27-ITC(PN)/65, dated 14th April, 1965 [except clauses (IX) and (XVII) of the Appendix thereof], as amended from time to time, and (b) the Appendix to this Public Notice.

APPENDIX TO MINISTRY OF COMMERCE PUBLIC NOTICE No. 52-ITC(PN)/65, DATED
20TH JULY, 1965

Letter of Commitment Procedure

No remittance of foreign exchange will be allowed from India in respect of Import licences issued under the Letter of Commitment Procedure. The U.S.

suppliers will be paid directly by the designated U.S. Banks against Letters of Commitments opened in their favour by the AID, Department of State, Washington, on submission of the documents detailed in Annexure V to Public Notice No. 27-ITC(PN)/65, dated 14th April, 1965.

2. The licensee should, before finalizing contracts or placing orders with the foreign suppliers, ensure that the procedure laid down in the various clauses [particularly clauses (II) to (IV)] of the Appendix to Public Notice No. 27-ITC(PN)/65, dated the 14th April, 1965 have been fully complied with. Thereafter, the licensee should apply to the Senior Accounts Officer, Economic Aid Accounts, Ministry of Finance (Department of Economic Affairs), Jeevan Deep Building, Parliament Street, New Delhi for a separate and express authorisation for opening a commercial Letter of Credit. The application should be in the form in Annexure I hereof and should be accompanied by a Bank Guarantee, in the form in Annexure II, obtained from an authorised dealer in foreign exchange in India. The Bank Guarantee should be for an amount representing the rupee equivalent (calculated at Rs. 481/- per \$ 100/-) of the dollar value of the authorisation applied for *plus* one percent of that rupee equivalent. The Bank Guarantee should be executed on a non-judicial stamp paper, the value of the stamp being adjudicated by the Collector in accordance with the provisions of Section 31 of the Stamp Act 1899.

3. If the application is found in order, the Ministry of Finance, Department of Economic Affairs will communicate their authorisation for the requisite amount to the licensee and the Indian Bank concerned indicating, *inter alia*, the Letter of Commitment number opened by AID and the conditions thereof as well as the name of the U.S. Bank with whom *Letter of Credit* in favour of U.S. suppliers should be opened. The Department of Economic Affairs will also advise the U.S. Bank concerned suitably. The Letter of Credit on the specified U.S. Bank should be opened within thirty days from the date of issue of authorisation, under intimation to the Senior Accounts Officer, Economic Aid Accounts, Ministry of Finance, Department of Economic Affairs, New Delhi, failing which the authorisation will lapse, and the licensee will have to make a fresh application giving full justification as to why the Letter of Credit was not opened within the specified time limit. It is emphasised that Import licences under the Letter of Commitment Procedure should be utilised speedily as their validity periods will not be extended. The Letter of Credit opened by the Indian Bank on the designated U.S. Bank against the Letter of Commitment of AID should detail the conditions to which the licence is subject and call for the submission of documents detailed in Annexure V to Public Notice No. 27-ITC(PN)/65, dated 14th April, 1965. In his contract with U.S. suppliers, the licensee should also indicate that the documents detailed above have to be submitted by the U.S. suppliers. He should also keep in view the provisions of clause (VIII) of the Appendix to Public Notice No. 27-ITC(PN)/65, dated 14th April, 1965.

4. Within seven days of the receipt of advice of payment, with shipping documents, where necessary, from the U.S. Bank, the importer shall deposit to the credit of the Government of India in the Reserve Bank of India/State Bank of India/Government Treasury, under the head of account specified by the Department of Economic Affairs the rupee equivalent of the invoice price representing the dollar disbursements made by the U.S. Bank at the rate of Rs. 481/- per \$100/-. Thereafter, the Treasury chalan evidencing the deposit should be sent by registered post to the Senior Accounts Officer, Economic Aid Accounts, Ministry of Finance, Department of Economic Affairs, New Delhi, indicating references to the Invoice/Shipping documents, and the relevant licence number and the authorisation of that Department to which the transaction relates. The importer shall also, on demand by Government, deposit within seven days, in the Reserve Bank of India/State Bank of India/Government Treasury, such additional amount on account of service charges and/or interest as may be demanded.

After the obligations in terms of the Bank Guarantee are fulfilled, the licensee and/or the Bank can apply to the Senior Accounts Officer, Economic Aid Accounts, Ministry of Finance, Department of Economic Affairs for the release of the Bank Guarantee.

5. Importers should furnish direct to the Senior Accounts Officer, Economic Aid Accounts, Ministry of Finance (Department of Economic Affairs), New Delhi, every quarter, procurement and shipping reports. The formats of these reports are given in Annexure III and IV hereof. The importers should compile these reports separately with reference to each authorisation received by them from the Ministry of Finance (Department of Economic Affairs) and transmit them to the Department of Economic Affairs every quarter, within 15 days of the end of

the period to which they relate. Each report should contain reference to the licence Number and the relevant authorisation. It is essential that the importers strictly adhere to the time limit of 15 days mentioned.

Claims for deficiency in quality and specifications for defective goods, short-landings, damages, etc., with the suppliers/steamer companies/insurance companies shall be settled in dollars, the payment being remitted by the supplier/steamer companies/insurance companies to the concerned Bank in India of the importer. There is, however, no objection to claims arising out of short-landings, and/or damages to goods, while in transit with shipping companies, being settled by the shipping companies' representatives in India in rupees. Immediately upon the settlement of claims, the importer should notify the Senior Accounts Officer, Economic Aid Accounts, Department of Economic Affairs, Ministry of Finance, New Delhi, all the details of such payment and also furnish a certificate from the concerned Indian Bank that all the foreign exchange in connection with the settlement of the claims has been received in India. In addition, a quarterly statement as in Annexure V hereof should be rendered to the Senior Accounts Officer, Economic Aid Accounts, Department of Economic Affairs, Ministry of Finance, New Delhi. It is imperative that importers should receive the claim in India and should, in no case, arrange for their being credited to their accounts, if any, with the suppliers/shipping companies abroad.

ANNEXURE I

To,

The Senior Accounts Officer,
Economic Aid Accounts Section,
Ministry of Finance,
(Department of Economic Affairs),
Jeevan Deep Building,
Parliament Street,
New Delhi.

SUBJECT.—Import of _____ from U.S.A. under AID Loan

Sir,

In connection with the import of _____ from U.S.A. against the above AID Loan, we furnish the following particulars to enable you to issue us authorisation for opening a Letter of Credit through our bankers on the U.S. Bank designated by you:—

(a) Particulars of Import licence.

No. and date.	Value (Rs.)	Date upto which valid.
---------------	-------------	------------------------

(b) Dollar value of licence
(Calculated at Rs. 481/- per \$ 100/-).

(c) Dollar value of the authorisation, if any, already obtained from the Department of Economic Affairs (reference to the letter of the Department of Economic Affairs should be quoted).

(d) Dollar value of the orders now placed for which authorisation is required).
(Copy of orders placed and U.S. suppliers' acceptance thereof to be attached).

(e) AID Commodity Code Number relating to the goods ordered.

(f) Name of the Indian Bank which has furnished the Bank Guarantee and which will open the Letter of Credit.

The Bank Guarantee furnished by _____ and which
(Name of Bank)

has been duly adjudicated by the Collector in accordance with the provisions of Section 31 of the Stamp Act, 1899 is attached.

2. We certify that in respect of the goods covered by the orders in para 1(d) above, the requirements of Notice to U.S. Business/Waiver as prescribed in

clauses (II) to (IV) of the Appendix to Ministry of Commerce Public Notice No. 27-ITC(PN)/65, dated 14th April, 1965 have been duly fulfilled.

Yours faithfully,

Place:

Date:

(Signature of the licensee and full address).

ANNEXURE II

To,

The President of India,
Through the Secretary to the Govt. of India,
Ministry of Finance,
Department of Economic Affairs,
New Delhi.

Sir,

In consideration of the President of India hereinafter referred to as 'the Government' having agreed to arrange for payment in foreign currency of the price of goods to be imported by

- * (i)
- (ii)
- (iii)
- (iv)

} individual/partners working
under the name & style of
Messrs.
.....
.....
.....
.....

[name(s) & address(es)]

*Messrs.....a Company having its registered office at.....in the State of.....hereinafter referred to as the 'importers' under Import Licence No.....dated.....granted for.....rupees, We,hereby guarantee that the Importers shall deposit to the credit of the Government of India in the Reserve Bank of India/State Bank of India/Government Treasury:—

- (i) Within seven days of the receipt of advice of payment, with shipping documents, where necessary, from the U.S. Banks, rupee equivalent of the invoice price representing the dollar disbursements made by the U.S. Banks under letter of credit established by us against the Letter of Commitment of the U.S. Agency for International Development, Department of State, Washington, hereinafter referred to as the U.S. AID, at the rate of Rs. 481/- per \$ 100/-.
- (ii) Within seven days of the demand by the Government such additional amount as may be demanded by the Government as being due on account of service charges and/or interest accrued on the amount reimbursed by U.S. AID to U.S. Banks for the period from the date of such reimbursement by U.S. AID to the date of deposit of the rupee equivalent as aforesaid by the Importers or in case of the Importers' failure in this regard to the date of recovery of rupee equivalent as aforesaid from the Importers and/or from us.

We,undertake to pay to the Government of India on demand and without demur such sum not exceeding.....rupees as may be demanded by the Government in the event of the Importers failing or neglecting to pay any of the above said payments and the decision of the Government as to such failure or neglect on the part of the

Importers and as to the amount payable to the Government of India by us hereunder shall be final and binding on us.

We,agree and undertake not to revoke this guarantee during its currency except with the previous consent of the Government of India in writing.

The guarantee herein contained shall not be affected by any change in the constitution of the Importers or of our Bank.

The Government shall have the fullest liberty without affecting this guarantee to vary any of the terms of the Import Licence detailed above or to extend the time for payment by the Importers from time to time or to postpone for any time and from time to time any of the powers exercisable by it against the Importers and We,shall not be released from our liability under this guarantee by any exercise by the Government of the liberty with reference to the amount aforesaid or by reason of any such variation or extension of time being given to the Importers or any forbearance, act or omission on the part of the Government or any indulgence by the Government to the Importers or by any of the matters or things whatsoever which under the law relating to sureties shall but for this provision have the effect of so releasing usBank from our such liability.

This guarantee shall remain valid for a period of eighteen months from the date hereof and if no action is brought against us within a period of three years from the date of expiry of this guarantee we shall stand released from all our liabilities under this guarantee.

Yours faithfully,

(Signature of the Authorised Officer of the
Bank and Bank's full Address)

Place

Date

The Bank Guarantee is to be executed on a non-judicial stamp paper, the value of the stamp being adjudicated by the Collector in accordance with the provisions of Section 31 of the Indian Stamp Act, 1899.

*Strike out which is not applicable.

ANNEXURE III

Quarterly Progress Report on Procurement for the period ending_____

Name of Importer.....

Licence No. _____

AID Loan No. _____

No. & Date of authorisation issued
by the Ministry of Finance (Deptt.
of Economic Affairs) for the open-
ing of Letter of Credit _____

Sl. No.	Items to be procured with appropriate AID Commodity Code No.	Order placed				Deliveries made			
		During the period		Cumulative to end of the period		During the period		Cumulative to end of the period	
		Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value.
1	2	3	4	5	6	7	8	9	10

Dated _____
Signature of the authorized
representative of the Importer.

NOTE:—(1) Quantities should always be expressed in terms of long tons (2240 lbs.) and values in U.S. dollars only.

(2) The date of the relevant bill of lading should be taken as date of delivery.

(3) The values of deliveries during and to end of a particular period should correspond to the disbursements made by U.S. Bank against the particular authorisation of the Ministry of Finance (Deptt. of Economic Affairs).

(4) The report should be compiled separately for each letter of Authorisation issued by the Deptt. of Economic Affairs.

ANNEXURE V

Statement showing the claims preferred and settled towards shortlandings etc., in respect of AID (DLF) Loans

Sl. No.	Loan No.	Name of Importer	Commodity Imported	Nature of claim whether shortland- ing or damages etc.	Reference to order/Shipment to which the claim relates.	Name of supplier steamer Co. on whom claim has been preferred.	Amount of claim preferred.	Amount of claim received/settled (whether in rupees or Foreign ex- change to be indicated).	
1	2	3	4	5	6	7	8	9	
Whether the amount in Col. 9 has been received in India in U.S. dol- lar/other foreign currency to be spec- ified.			Amount of each ship- ment	Bill of lading & date.	Invoice No. and date.	Licence No. and date.	Whether or not the goods shortlanded/dam- aged were replaced by fresh imports from a source other than AID (DLF) Loan	Reference to the letter of authorisation for the opening of letter of credit issued by the Ministry of Finance to which the shipment relates.	Remarks.
10			11	12	13	14	15	16	17

Dated signature of the authorised representative of Importer.

CORRIGENDUM

New Delhi, the 20th July 1965

SUBJECT.—*Import of cinematograph films, exposed (S. No. 117/IV)—Grant of supplementary licences to the established importers for the period April, 1964—March 1965.*

For figures and words 'No. 25-ITC(PN)/64, dated the 12th April, 1965' occurring in paragraph I of Public Notice No. 37-ITC(PN)/65, dated the 5th June, 1965, please read 'No. 25-ITC(PN)/65, dated the 12th April, 1965'.

P. SABANAYAGAM,
Chief Controller of Imports & Exports.

